



Environment, Featured Story, The Latest News

'Bomb Trains' Coming Soon Through Your Town

Trump, Kushner Have Financial Ties to Company that Wants Railroads to Carry Deadly Liquefied Natural Gas

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An <u>energy company</u> tied to a hedge fund that <u>loaned millions</u> to the Trump Organization and the <u>Kushner</u> Companies will benefit after Team Trump approved railroads running "bomb trains" through our nation.

They are loaded with liquefied natural gas with more explosive power than the atom bomb that destroyed Hiroshima.

Liquefied natural gas is even more volatile than <u>Bakken crude oil</u> carried on trains like the one that derailed and caught fire on July 6, 2013, in <u>Lac-Mégantic</u> in Quebec, killing 47 people. Most of the victims had to be identified with DNA samples and dental records. The bodies of five of the people were never recovered.

<u>Drue Pearce</u>, the political appointee who is deputy administrator of the <u>Pipeline and Hazardous Materials Safety</u>

<u>Administration</u>, helped shepherd the regulation through the agency. Trump in April 2019 had called for federal rules to be <u>rewritten</u> so trains could carry liquefied natural gas.

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"There seems to be <u>no compelling need</u> for PHMSA to be moving so quickly on the issuance of a nationwide rule for LNG transport by 100-cars-plus unit trains of rail tank cars, in the absence of reasonably supporting agency research," wrote the attorneys for <u>Earthjustice</u>.

'Enhanced' Tank Cars

The agency, headed by former railroad executive <u>Howard Elliott</u>, contends shipping liquefied natural gas by rail is a <u>"safe alternative</u>," and that the gas will be transported in "enhanced" tank cars.

But <u>Karl Alexy</u>, now the chief safety officer for the <u>Federal Railroad Administration</u>, warned in 2014 that even sturdier cars carrying flammable liquids at 30 mph may not be able to withstand punctures.

"When you begin to look at cars that are <u>derailing at speeds of 30, 40 mph</u>, it's very difficult, it's a big ask, to expect that a tank car gets hit [and] not be breached," Alexy said.

ACTION BOX / What You Can Do About It



Comment online about the rule.

Contact Earthjustice at 1-800-584-6460 or info@earthjustice.org

Shipping liquefied natural gas by rail also <u>doesn't make sense economically</u> compared with major pipelines, according to federal energy regulators. Environmentalists and landowners successfully have blocked pipelines such as the <u>Atlantic Coast Pipeline</u> which would have carried natural gas across the Appalachian Trail and into Virginia and North Carolina.

Trump Lender



The 2013 LNG train crash in Quebec. (Transportation Safety Board, Canada)

The regulation financially benefits New Fortress Energy, a publicly-traded company founded by billionaire Wes

Edens. Fortress Investment Group, a New York City hedge fund co-founded by Edens, was part of a deal to loan the

Trump Organization \$130 million to help build the Trump International Hotel and Tower Chicago in 2005.

"It is highly suspect," said law professor <u>Richard Painter</u>, the former chief ethics attorney for President George W. Bush.

Vapor clouds from liquefied natural gas that ignite can burn as hot as 2,426 degrees. Liquefied natural gas is odorless because ethyl mercaptan, the foul-smelling compound added to natural gas for residential use freezes above the boiling point for liquefied natural gas.

"People are being kept in the dark about this enormous risk," said Fred Millar, a chemical disaster expert. "A vapor cloud could travel a couple of miles and someone starts their car and the whole place blows up."

Loan Forgiven

Trump couldn't pay the loan which ultimately grew to <u>about \$150 million</u>, according to documents filed in the New York Supreme Court by New York Attorney General <u>Letitia James</u>. She is investigating <u>possible fraud</u> by the Trump Organization. A judge recently <u>ordered</u> Eric Trump to cooperate with investigators.

James said that Fortress forgave more than \$100 million of the loan, money that may have been taxable.

Fortress also loaned <u>\$57 million</u> in October 2017 to a Jersey City, N.J., real estate project owned by Kushner Companies. Trump's son-in-law, Jared Kushner, transferred his stake in the project to a family trust.

SoftBank Group, a Japanese firm, bought Fortress Investment Group in 2017.

States Sue

In August, Maryland, New York, the District of Columbia and 12 other states <u>sued</u> Transportation Secretary Elaine Chao and Elliott over the new rule. They said the rule is unlawful under the <u>Hazardous Materials Transportation</u>

<u>Act</u> signed in 1975 by President Gerald Ford and other laws. <u>Earthjustice</u> and other environmental organizations are also part of the lawsuit.

Earthjustice said the rule could bring LNG railroad cars through virtually all major U.S. cities and that a disaster could destroy an entire city.

On Oct. 20, 1944, liquefied natural gas leaked from a storage tank at <u>East Ohio Gas Co</u> in Cleveland and got into the sewer lines, causing <u>explosions</u> over a square mile. The explosions and fires spread through 20 blocks, killing 130 people and destroying 79 homes in a neighborhood of Slovenian immigrants and two factories.

"It was if a <u>flame-thrower</u> had been turned on you," one survivor said.

Featured image: The crude-by-rail explosion in Lac-Mégantic, Canada, killed 47 people in 2013. (Earthjustice)